

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER REGULATION 13(4) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROCEDURE FOR HOLDING ENQUIRY BY ENQUIRY OFFICER AND IMPOSING PENALTY) REGULATIONS, 2002 AGAINST M/s. AMGIS HOLDINGS PRIVATE LIMITED, INB.230676837, MEMBER, NATIONAL STOCK EXCHANGE IN THE MATTER OF M/s. ROOFIT INDUSTRIES LIMITED

WTM/TCN/ID7/ 45/07/2007

1.0 BACKGROUND

- 1.1 M/s. Roofit Industries Limited was incorporated on February 18, 1982 as a private limited company in the name and style of M/s. Ratnagiri Asbestos Private Limited. Its name was changed to M/s. Ratnagiri Building Products Limited on October 21, 1987. In December 1988, the company started commercial production under the 'Roofit' brand. In 1996, the name of the company was further changed to M/s. Roofit Industries Limited (hereinafter referred to as "Roofit" or the "company"). During 1986, the Motwani Group acquired the controlling interest in the company. One of the group companies of Roofit is M/s. Sun Earth Ceramics Limited. The company is listed at Delhi Stock Exchange (DSE), National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange, (ASE).
- 1.2 Based on the investigation report submitted by NSE for the period 06.10.99 - 03.12.99, the Securities and Exchange Board of India (SEBI) on March 22, 2000 initiated investigations into the scrip of Roofit to examine the reasons behind the sudden spurt in the price and the trading volume in the scrip. At the same time, SEBI had received a complaint

dated 19-01-2001 from Shri Michael D'Silva to the effect that the management of the company directly/indirectly controlled the entire shareholding of the company and that it is being used to rig the share price. Thus, NSE was requested to carry out another investigation. In response, NSE submitted another investigation report on December 31, 2001, for the period 08.11.2000 to 06.02.2001. Further, NSE conducted an investigation for the period 07.02.2001 to 08.05.2001 and submitted its report on September 11, 2002.

- 1.3 BSE was required to investigate the matter and submit its report to SEBI as the scrip was listed and traded on BSE. BSE conducted investigations for the periods 10.10.99 -12.12.99 and 22.01.01 - 04.05.01 and submitted its investigation reports on September 26, 2001 and May 24, 2002, respectively.
- 1.4 Thus, cumulatively, the investigations by NSE and BSE, in the scrip of Roofit covered the following periods:
 - a. 06.10.99 to 12.12.99
 - b. 08.11.2000 to 06.02.2001 and
 - c. 07.02.2001 to 08.05.2001.
- 1.5 NSE and BSE in their investigation reports have identified 16 brokers including M/s. Amgis Holdings Private Limited (herein after referred to as "Amgis" or the "broker"). SEBI examined their role based on the trading details of the respective brokers in the scrip. SEBI undertook detailed investigations to look into the possible violations of the provisions of Regulation 4 of SEBI (Prohibitions of Unfair Trade Practices Relating to Securities Markets) Regulations 1995 and the provisions of the code of conduct prescribed for stock brokers set out under Regulation 7 of SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992, by the broker.

1.6 The investigation report revealed the following with respect to Amgis:

1.6.1 The trades executed by the noticee are as below:

Table 1

SETT. NO.	CLIENT NAME	BUY QTY	SELL QTY	GROSS QTY	NET QTY
1999040	Senorita	10500	0	10500	10500
1999042	Senorita	15200	0	15200	15200
1999043	Senorita	5700	0	5700	5700
1999044	Senorita	17000	8000	25000	9000
1999045	Senorita	28300	28300	56600	0
1999046	Senorita	19000	24500	43500	-5500
1999047	Senorita	20600	19000	39600	1600
1999048	Senorita	42500	4100	46600	38400
1999050	Senorita	100	34600	34700	-34500
1999050	Senorita	82200	82200	164400	0
1999051	Senorita	400	400	800	0
2000003	Senorita	5000		5000	5000
2000004	Senorita	2900	0	2900	2900
2000046	Onlooker	53041	0	53041	53041
2000046	Habiscus	35983	35963	71946	20
2000047	Onlooker	57274	0	57274	57274
2000047	Habiscus	1800	1800	3600	0
2000048	Onlooker	6964	0	6964	6964
2000053	Habiscus	71578	0	71578	71578
2000053	Onlooker	70852	0	70852	70852
2001001	S J Impex	16478	16478	32956	0
2001001	Habiscus	36502	0	36502	36502
2001002	Mayfair Realtor	53288	0	53288	53288
2001002	S J Impex	100300	100300	200600	0
2001002	Habiscus	51076	0	51076	51076
2001003	M'Belle International	71530	0	71530	71530
2001003	S J Impex	98186	98186	196372	0
2001003	Alkan Project	68664	0	68664	68664
2001004	M'Belle International	21221	0	21221	21221
2001004	Alkan Project	19840	0	19840	19840
2001005	S J Impex	1200	1200	2400	0
2001005	M'Belle International	172930	0	172930	172930
2001005	Onlooker	171710	0	171710	171710
2001006	M'Belle International	26124	0	26124	26124
2001007	M'Belle International	146399	0	146399	146399
2001007	Alkan Projects	152000	0	152000	152000
2001008	M'Belle International	8191	0	8191	8191

2001009	M'Belle International	232520	0	232520	232520
2001009	Onlooker Investment	95914	0	95914	95914
2001010	M'Belle International	4661	0	4661	4661
2001011	M'Belle International	272100	70000	342100	202100
2001011	Onlooker Investment	150210	0	150210	150210
2001012	M'Belle International	2291	0	2291	2291
2001013	M'Belle International	1263	100	1363	1163
2001014	Akira Investments Ltd.	705	0	705	705
2001015	Akira Investments Ltd.	14001	80	14081	13921
2001016	Akira Investments Ltd.	79795	0	79795	79795
2001017	Akira Investments Ltd.	425	0	425	425
2001018	Akira Investments Ltd.	5871	100	5971	5771

The following are the clients for whom M/s. Amgis has executed trades:

- i. M/s. Seniorita Impex Pvt. Ltd.
- ii. M/s. Onlooker Investments Pvt. Ltd.
- iii. M/s. Habiscus Investments Pvt. Ltd.
- iv. M/s. S.J.Impex
- v. M/s. Mayfair Realtors Pvt. Ltd.
- vi. M/s. M'Belle International Pvt. Ltd.
- vii. M/s. Alkan Projects Pvt. Ltd.
- viii. M/s. Akira Investments Pvt. Ltd.

In almost all of the settlements, the member has bought for its clients.

1.6.2 Trade Log Analysis between M/s. Amgis Holdings Pvt. Ltd. and M/s. Goldcrest Capital Market Ltd.

Table 2

DATE	TRADE TIME	TRADE QTY	TRADE PRICE	BUY TM NAME	BUY CLIENT NAME	BUY ORDER ENTRY TIME	SELL TM NAME	SELL CLIENT NAME	SELL ORDER ENTRY TIME
20-Nov-00	12:32:35	659	268	Amgis	Onlooker	12:32:31	Goldcrest	Ami Impex	12:32:35
20-Nov-00	12:32:45	4541	268	Amgis	Onlooker	12:32:45	Goldcrest	Ami Impex	12:32:35
20-Nov-00	12:32:45	46800	268	Amgis	Onlooker	12:32:45	Goldcrest	Ami Impex	12:32:35
27-Dec-00	10:41:07	25000	121	Amgis	H(Habiscus)	10:41:07	Goldcrest	Mayfair	10:41:03
27-Dec-00	10:41:47	25000	121.5	Amgis	H(Habiscus)	10:41:47	Goldcrest	Onlooker	10:41:45
27-Dec-00	11:06:40	25000	120.25	Amgis	H(Habiscus)	11:06:40	Goldcrest	Onlooker	11:06:28

					=6658& onlook=183 42)				
27-Dec-00	11:07:13	25000	120.25	Amgis	H(onlooker)	11:07:13	Goldcrest	Onlooker	11:07:11
27-Dec-00	11:08:07	25000	120.1	Amgis	H(onlooker)	11:08:07	Goldcrest	Onlooker	11:08:04
08-Jan-01	10:38:37	25000	119.5	Amgis	H(Habiscus)	10:38:37	Goldcrest	Habiscus	10:38:25
08-Jan-01	10:39:12	25000	119	Amgis	H(Habiscus =8903& S J Impex 16093)	10:39:12	Goldcrest	Habiscus	10:38:57
11-Jan-01	10:25:18	50000	118.75	Amgis	O(Habiscus =48961& S J Impex=103 9)	10:25:18	Goldcrest	Habiscus	10:25:06
11-Jan-01	10:26:14	50000	118.85	Amgis	O(Mayfair)	10:26:14	Goldcrest	Habiscus	10:25:44
17-Jan-01	10:15:56	25000	122	Amgis	M(Alkan Projects)	10:15:56	Goldcrest	Habiscus	10:15:39
17-Jan-01	10:16:08	25000	123	Amgis	M(Alkan Projects)	10:16:08	Goldcrest	Habiscus	10:16:06
17-Jan-01	10:16:26	25000	124	Amgis	M(Alkan Projects=15 000 & M'Belle=100 00)	10:16:26	Goldcrest	Habiscus	10:16:21
17-Jan-01	10:17:07	25000	123.75	Amgis	M(M'Belle= 22236 & Alkan Proj 2764)	10:17:07	Goldcrest	Habiscus	10:16:50
18-Jan-01	13:48:57	36000	121.75	Amgis	M(M' belle)	13:48:57	Goldcrest	Habiscus	13:48:52
24-Jan-01	10:29:21	34800	124	Amgis	AMBEL(M'B elle=19910 & Alkan=1489 0)	10:29:21	Goldcrest	Alkan Projects	10:29:07
24-Jan-01	10:29:34	200	124	Amgis	AMBEL(Alk an Proj)	10:29:34	Goldcrest	Alkan Projects	10:29:07
31-Jan-01	10:00:57	10000	131.5	Amgis	M(M'Belle= 2675& Onlook=732 5)	10:00:57	Goldcrest	Jyoti Mehta	10:00:56
31-Jan-01	10:11:34	89900	124	Amgis	M(Onlooker =89675 & S J Impex= 225)	10:11:34	Goldcrest	Onlooker	10:11:33
31-Jan-01	10:13:31	39800	124	Amgis	A(M'Belle)	10:13:31	Goldcrest	Habiscus	10:13:29
31-Jan-01	10:14:00	200	124	Amgis	A(Onlooker)	10:13:31	Goldcrest	Habiscus	10:14:00
31-Jan-01	10:14:01	49800	124	Amgis	A(M'Belle=3 7600 & Alkan 12200)	10:14:01	Goldcrest	Habiscus	10:14:00
31-Jan-01	10:14:27	50000	124.25	Amgis	A(Onlooker)	10:14:27	Goldcrest	Habiscus	10:14:24
31-Jan-01	10:15:21	49800	124	Amgis	H(M'Belle =	10:15:21	Goldcrest	Ami Impex	10:15:20
31-Jan-01	11:00:49	50000	124.75	Amgis	M(M'Belle=4 0000 & Onlooker=1 0000)	11:00:49	Goldcrest	Ami Impex	11:00:42
7-Feb-01	10:10:10	20000	128.0 0	Amgis Holdings Pvt Ltd	M'Belle Internatio nal Pvt. Ltd.	10:10:10	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:10: 00
14-Feb-01	10:19:14	49500	127.6 5	Amgis Holdings Pvt Ltd	M'Belle Internatio nal Pvt. Ltd.	10:19:14	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19: 09
14-Feb-01	10:19:24	500	127.6 5	Amgis Holdings Pvt Ltd	M'Belle Internatio nal Pvt. Ltd.	10:19:24	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19: 09

14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	4300	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:45	3800	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:45	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:19:59	500	127.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:19:59	Goldcrest Capital Markets Ltd	Alkan Projects Pvt. Ltd.	10:19:42
14-Feb-01	10:21:18	50000	123.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:21:18	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:21:15
14-Feb-01	10:24:29	50000	122.00	Amgis Holdings Pvt Ltd	Alkan Project Pvt. Ltd.	10:24:29	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:24:10
14-Feb-01	10:25:09	57000	121.75	Amgis Holdings Pvt Ltd	Alkan Project Pvt. Ltd.	10:25:09	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:24:58
14-Feb-01	10:28:28	45000	122.75	Amgis Holdings Pvt Ltd	Alkan Project Pvt. Ltd.	10:28:28	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:28:23
28-Feb-01	10:00:03	34900	124.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:00:03	Goldcrest Capital Markets Ltd	Jyoti J. Mehta	9:59:56
28-Feb-01	10:00:13	100	124.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:00:11	Goldcrest Capital Markets Ltd	Jyoti J. Mehta	9:59:56
28-Feb-01	10:05:05	27200	121.0	Amgis	M'Belle	10:05:05	Goldcrest	Onlooker	10:05:

			0	Holdings Pvt Ltd	International Pvt. Ltd.		Capital Markets Ltd	Investments Pvt. Ltd.	02
28-Feb-01	10:05:41	25800	121.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:05:41	Goldcrest Capital Markets Ltd	Onlooker Investments Pvt. Ltd.	10:05:37
28-Feb-01	10:09:54	87200	120.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:09:54	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:09:49
28-Feb-01	10:11:23	48600	120.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:11:23	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:11:00
28-Feb-01	10:12:39	68400	121.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:12:39	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:12:32
28-Feb-01	10:13:19	32800	120.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd. (25000) Onlooker (7800)	10:13:19	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	10:13:12
14-Mar01	9:58:06	10000	115.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	9:58:06	Goldcrest Capital Markets Ltd	M'Belle International Pvt. Ltd.	9:57:58
14-Mar01	10:03:04	25000	115.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:03:04	Goldcrest Capital Markets Ltd	Habiscus Investments Pvt. Ltd.	10:03:01
14-Mar01	10:03:23	30000	114.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:03:23	Goldcrest Capital Markets Ltd	Habiscus Investments Pvt. Ltd.	10:03:20
14-Mar01	10:04:04	20000	114.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:04:04	Goldcrest Capital Markets Ltd	Habiscus Investments Pvt. Ltd.	10:03:47
14-Mar01	10:13:31	24930	112.25	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:13:31	Goldcrest Capital Markets Ltd	Jyoti J. Mehta	10:13:23
14-Mar01	10:13:40	70	112.25	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:13:40	Goldcrest Capital Markets Ltd	Jyoti J. Mehta	10:13:23
14-Mar01	10:14:09	15000	112.25	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:14:09	Goldcrest Capital Markets Ltd	Jyoti J. Mehta	10:14:04
14-Mar01	10:20:29	25000	110.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:20:29	Goldcrest Capital Markets Ltd	Onlooker Investments Pvt. Ltd.	10:20:22
14-Mar01	10:21:13	25000	113.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:21:13	Goldcrest Capital Markets Ltd	Onlooker Investments Pvt. Ltd.	10:21:08
14-Mar01	10:21:39	15000	112.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:21:39	Goldcrest Capital Markets Ltd	Onlooker Investments Pvt. Ltd.	10:21:34
14-Mar01	10:21:56	15000	112.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt.	10:21:55	Goldcrest Capital Markets	Onlooker Investments Pvt.	10:21:56

					Ltd.		Ltd	Ltd.	
14-Mar01	10:22:47	9000	113.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:22:47	Goldcrest Capital Markets Ltd.	Onlooker Investments Pvt. Ltd.	10:22:42
14-Mar01	10:23:09	11000	112.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:23:04	Goldcrest Capital Markets Ltd.	Onlooker Investments Pvt. Ltd.	10:23:09
15-Mar01	10:01:19	25000	110.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:01:19	Goldcrest Capital Markets Ltd.	Habiscus Investments Pvt. Ltd.	10:01:08
15-Mar01	10:01:50	14950	112.00	Amgis Holdings Pvt Ltd	M'Belle International (14930), Onlooker Investments Pvt. Ltd. (20)	10:01:50	Goldcrest Capital Markets Ltd.	Habiscus Investments Pvt. Ltd.	10:01:40
15-Mar01	10:01:59	50	112.00	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:01:59	Goldcrest Capital Markets Ltd.	Habiscus Investments Pvt. Ltd.	10:01:40
15-Mar01	10:02:30	15000	112.25	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:02:30	Goldcrest Capital Markets Ltd.	Habiscus Investments Pvt. Ltd.	10:02:28
15-Mar01	10:03:48	25000	111.50	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:03:48	Goldcrest Capital Markets Ltd.	Habiscus Investments Pvt. Ltd.	10:03:38
15-Mar01	10:05:02	15000	111.75	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.(10000), Onlooker (5000)	10:05:02	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:04:49
15-Mar01	10:05:24	35000	111.90	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:05:24	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:05:20
15-Mar01	10:05:56	15000	112.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:05:56	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:05:44
15-Mar01	10:06:38	25000	112.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:06:38	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:06:26
15-Mar01	10:07:28	10000	111.00	Amgis Holdings Pvt Ltd	M'Belle International Pvt. Ltd.	10:07:28	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:07:18
15-Mar01	10:08:07	15000	111.50	Amgis Holdings Pvt Ltd	Onlooker Investments Pvt. Ltd.	10:08:07	Goldcrest Capital Markets Ltd.	M'Belle International Pvt. Ltd.	10:07:55

From the above tables the following observations were made:

- a) 76 structural deals amounting to 1,847,000 shares were executed between M/s. Amgis and M/s. Goldcrest.
- b) For all these 76 structural deals, M/s. Amgis acted as a buyer and M/s. Goldcrest acted as a seller.
- c) Both buy and sell orders have been placed at approximately same time, same price and for the same quantity.
- d) For some trades, order was placed at a price higher than the previous traded price.
- e) Same clients have been found trading through both these members.
Clients - M/s. Onlooker, M/s. Habiscus and M/s. Alkan - are related to each other, as mentioned under para linkages. These clients traded through both these members acting both as a buyer and as a seller for the same trade / transaction.
- f) In 10 trades amounting to 297,000 shares, the client – M/s. M' Belle International Pvt. Ltd. was buying shares through Amgis Holdings P. Ltd. and selling shares through M/s. Goldcrest Capital Markets Ltd. at the same time. As brought out under para linkages, M/s. M'Belle is related to the promoter / director of the company M/s. Roofit.
- g) In 7 trades, the client M/s. Onlooker Investments Pvt. Ltd. has bought shares through M/s. Amgis Holdings P. Ltd. and sold shares through M/s. Goldcrest Capital Markets Ltd. at the same time. As brought out under para linkages, M/s. Onlooker is indirectly related to the promoter / director of the company M/s. Roofit.
- h) 15 trades amounting to 132,910 shares have been executed on behalf of the client – M/s. M'Belle International Pvt. Ltd. on the buy side and M/s. Alkan Projects Pvt. Ltd. on the sell side. Further, 3 structured deals amounting to 152,000 shares have been executed on behalf of M/s. Alkan Projects Pvt. Ltd. on the buy side and M/s. M'Belle International Pvt. Ltd. on the sell side. As brought out under para linkages M/s. Alkan and M/s. M'Belle are related to the promoter / director of the company M/s. Roofit.

- i) 11 trades amounting to 275,566 shares have been executed on behalf of the client – M/s. M'Belle International Pvt. Ltd. on the buy side and M/s. Habiscus Investments Pvt. Ltd. on the sell side. As brought out under para linkages M/s. Habiscus and M/s. M'Belle are related to the promoter / director of the company M/s. Roofit.
- j) 5 trades amounting to 88,000 shares have been executed on behalf of the client – M/s. M'Belle International Pvt. Ltd. on the buy side and M/s. Onlooker Investments Pvt. Ltd. on the sell side. As brought out under para linkages M/s. Onlooker and M/s. M'Belle are related to the promoter / director of the company M/s. Roofit.
- k) 5 structured deals have been executed on behalf of M/s. Onlooker Investments P. Ltd. on the buy side and M/s. Habiscus Investments Pvt. Ltd. on the sell side. As brought out under para linkages, M/s. Habiscus and M/s. Onlooker are related to each other and to the promoter / director of the company M/s. Roofit.
- l) 4 structured deals amounting to 115,000 shares have been executed on behalf of M/s. Onlooker Investments P. Ltd. on the buy side and M/s. M'Belle International Pvt. Ltd. on the sell side. As brought out under para linkages, M/s. Onlooker and M/s. M'Belle are related to the promoter / director of the company M/s. Roofit.

1.6.3 Trades between M/s. Amgis Holdings Pvt. Ltd. and Mr. Prashant J Patel

Table 3

Date	Trade Time	Trade Qty	Trade Price	Buy Tm Name	Buy Client Name	Buy Order Entry Time	Sell Tm Name	Sell Client Name	Sell Order Entry Time
14-Nov-00	10:00:26	21965	253	Amgis	M(Habiscus = 9017 & 12948 = Onlooker)	10:00:26	Prashant	Bharat J Patel	10:00:23
14-Nov-00	10:00:43	25	253	Amgis	Onlooker	10:00:43	Prashant	Bharat J Patel	10:00:23
24-Nov-00	10:01:58	5000	258.9	Amgis	Onlooker	10:01:58	Prashant	Ami Impex	10:01:58
17-Jan-01	10:26:53	50000	124	Prashant	Ami Impex	10:26:53	Amgis	A(S J Impex)	10:26:53
17-Jan-01	10:33:13	48185	122	Prashant	Ami Impex	10:33:13	Amgis	A(S J Impex)	10:33:08
23-Jan-01	09:57:16	50000	125	Amgis	O(S.J.Impex = 481868 &	09:57:16	Prashant	Ami Impex	09:56:56

					M'belle = 1814)				
23-Jan-01	09:57:27	50000	125	Amgis	S. J. Impex	09:57:27	Prashant	Ami Impex	09:56:56
15-Mar-01	15:33:52	10000	109.75	prashant	Ami Impex	15:33:52	amgis	M'Belle	15:33:42
15-Mar-01	15:34:04	10000	109.75	prashant	Ami Impex	15:34:04	amgis	M'Belle	15:33:42
15-Mar-01	15:49:18	2500	109.50	prashant	Ami Impex	15:49:18	amgis	M'Belle	15:49:13
15-Mar-01	15:49:29	5000	109.50	prashant	Ami Impex	15:49:29	amgis	M'Belle	15:49:13
15-Mar-01	15:49:37	7500	109.50	prashant	Ami Impex	15:49:37	amgis	M'Belle	15:49:13
15-Mar-01	15:49:47	5000	109.50	prashant	Ami Impex	15:49:47	amgis	M'Belle	15:49:13
15-Mar-01	15:49:56	5000	109.50	prashant	Ami Impex	15:49:56	amgis	M'Belle	15:49:13
24-Apr-01	15:10:26	25000	109.00	amgis	Akira	15:10:26	prashant	Hinduja	15:10:20
24-Apr-01	15:10:47	25000	109.00	amgis	Akira	15:10:47	prashant	Hinduja	15:10:43
24-Apr-01	15:12:22	28000	109.50	amgis	Akira	15:12:22	prashant	Hinduja	15:12:20
2-May-01	13:52:43	5000	107.00	amgis	Akira	13:52:43	prashant	Ami	13:52:43

From the above table it is evident that:

- a) 18 structural deals amounting to 353,175 shares were executed between M/s. Amgis and Mr Prashant J Patel.
- b) 7 trades have been executed by M/s. Amgis for its client M/s. M'Belle and by M/s. Prashant for its client M/s. Ami. M/s. M'Belle is related to the promoter / director of the company M/s. Roofit.

1.6.4 Linkages

M/s. Amgis has traded for clients who are related to each other and to the member. Some of the clients are related to the promoter / director of the company – M/s. Roofit as shown under:

- i. M/s. Habiscus, M/s. Onlooker and M/s. Alkan are related to each other. They have a common director Mr. Suresh Hemwani. The director of both M/s. Habiscus and M/s. Onlooker is Ms. Meenal Chhabaria. Thus, clients M/s. Habiscus and M/s. Onlooker are related to each other.
- ii. Subscribers to MOA of M/s. M'Belle are Ms. Rita Motwani, Ms. Sangeeta Motwani and Ms. Anupama Motwani. As per the information given by NSE, Ms. Rita Motwani is the wife of Mr. Kishore Motwani who is one of the

directors of M/s. Roofit. Ms. Sangeeta Motwani is the wife of Mr. Vinod Motwani who is one of the directors of M/s. Roofit. Ms. Anupama Motwani is the wife of Mr. Suresh Motwani who is one of the directors of M/s. Roofit. Thus, M/s. M'Belle is indirectly related to the promoter / director of the company M/s. Roofit.

- iii. M/s. Alkan is also one of the persons acting in concert with M/s. Sunearth Ceramics – a group company of M/s. Roofit, having same address as that of M/s. Roofit. Thus, M/s. Alkan is indirectly related to the promoter / director of M/s. Roofit.
- iv. Client M/s. Onlooker is directly / indirectly related to promoter / director of M/s. Roofit. M/s. New Bharat Builders has introduced M/s. Onlooker to the member M/s. Goldcrest. As per the information given by the exchange, Subscribers to the MOA of M/s. New Bharat Builders is Ms. Sangeeta Motwani and Mr. Kishore Motwani. Ms. Sangeeta Motwani is the wife of Mr. Vinod Motwani. Mr. Kishore Motwani and Mr. Vinod Motwani are one of the directors of M/s. Roofit. Thus, M/s. Onlooker is indirectly related to promoter / director of M/s. Roofit.

Thus it can be concluded that M/s. Onlooker, M/s. Habiscus, M/s. M'Belle and M/s. Alkan are related to each other and to the promoter / director of the company M/s. Roofit.

1.6.5 ANALYSIS OF THE DEMAT STATEMENTS

Demat statement of the member reveals it did not deliver the number of shares that were due to its clients.

- i. In Sett No. 02, member bought 53,288 shares for M/s. Mayfair Realtor and 51,076 shares for M/s. Habiscus. The member credited only 34,788 shares into M/s. Mayfair Realtor's a/c. and 47,576 shares into M/s. Habiscus's a/c. The remaining 22,000 shares ($104364 - 82364 = 22000$) remained in the member's a/c.

- ii. M/s. Amgis had purchased 232,520 shares for M/s. M'Belle in Sett. No.2001009. As per the NSE investigation report, M/s. Amgis transferred 192,470 shares into M/s. M'Belles a/c. and 40,000 shares to another trading member, M/s. Goldcrest's BSE beneficiary account.
- iii. M/s. Amgis had purchased 202,100 shares for M/s. M'Belle in Sett. No.2001011. As per the NSE investigation report, M/s. Amgis transferred 46,000 shares into another trading member, M/s. Express Securities's account.

1.6.6 Therefore, it appears that M/s. Amgis was making adjustment for its clients as far as delivery of securities was concerned, which only highlights the close relationship / association between their clients and the trading member. Further, the transfer of large quantity of shares belonging to clients by the trading member to other trading members only reflects that the trading member was aware that the client was dealing through other trading members and was ready to accommodate the net settlement obligations arising out of transactions of other trading members.

1.6.7 I find that Shri Deven Mehta had admitted that he was aware that the clients M/s. Onlooker, M/s. Habiscus, M/s. Akira, M/s. Alkan, M/s. M'Belle and M/s. Mayfair Realtors are / were directly / indirectly related to each other. Shri Deven Mehta had introduced these related clients to various brokers who acted as financiers for them. Shri Deven Mehta stated that the clients M/s. Onlooker, M/s. Habiscus, M/s. Akira, M/s. Alkan, M/s. M'Belle and M/s. Mayfair Realtors were in need of funds and as they were known to him, on some occasions, he did introduce them to other brokers viz. M/s. Goldcrest, M/s. Prashant J Patel, M/s. Express Securities and M/s. Bharat J Patel.

1.6.8 These related entities sold shares through the above mentioned brokers. The purchases for these sales were made through M/s. Amgis Holdings

Pvt. Ltd. one of the broking entities of Shri Deven Mehta entering into structural / matched deals and the cycle of such transactions continued settlement after settlement. M/s. Amgis, by entering into structural deals with the broking entities who had made the payments ensured that these related clients did not lose control over their shares and that the cycle could be repeated. As per the statement given by Shri Deven Mehta, he was aware that the clients for whom they have executed trades were also executing trades in the scrip of M/s. Roofit through other members at either BSE or NSE. Thus, M/s. Amgis has aided and abetted the clients in their activity and has misutilised the system.

1.6.9 The investigation report has concluded the following:

- i) The ultimate clients of the trading member M/s. Amgis and the ultimate clients of the trading member M/s. Goldcrest with whom member has executed structural deals are related to each other and to the promoter / director of the company M/s. Roofit.
- ii) The trading member executed a series of matched trades with various brokers with a view to influence the price as well to create volume.
- iii) Demat statement of the member shows that the member was making adjustment for its clients as far as delivery of shares was concerned.
- iv) Member transferred large number of shares into the account of another trading member.
- v) Member has aided and abetted the related clients in raising fund from the market.
- vi) Member has misutilised the system.

1.6.10. Based on the conclusions, investigations had alleged that M/s. Amgis has aided and abetted its related client as well as acted in concert with the related client in

- a) Creation of false market or misleading appearance of trading in the market.
- b) Execution of transaction that is not genuine trade transaction and

- c) Execution of transaction intended to inflate or cause fluctuations in the market price of the security and therefore, has violated the provisions of Regulation 4(b), 4(c) and 4(d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Markets), Regulations, 1995 read with Regulation 13 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Markets), Regulations, 2003 and Clause A(1) and A(4) coming under Regulation 7 of the SEBI (Stock Brokers and Sub Brokers Rules and Regulations), 1992.

2.0 ENQUIRY REPORT AND FINDINGS

- 2.1 In view of irregularities brought out in the investigation report and the allegations made against Amgis, SEBI vide order dated 23rd June 2003 read with order dated 24th July 2003 appointed an Enquiry Officer to enquire into the involvement of Amgis in trading in the shares of Roofit. Enquiry Officer issued a show cause notice dated 19th September 2003 to Amgis to which Amgis responded vide its letter dated 19th September 2003. Thereafter Enquiry Officer had given an opportunity of personal hearing to Amgis on 18th December 2003. After completion of enquiry, Enquiry Officer submitted a report dated 4th April 2004. In his report, the Enquiry Officer found that Amgis had violated the provisions of Regulation 4 (b), (c) and (d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995 and Clauses A (1) and (4) of Schedule II as laid down under regulation 7 of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 and recommended a minor penalty of suspension of its certificate of registration for a period of two months.

3.0 SHOW CAUSE NOTICE AND REPLY

3.1 Pursuant to the above, a notice dated 15th April 2004 was issued to Amgis to show cause as to why the penalty as considered appropriate should not be imposed on Amgis. Amgis had replied vide its letter dated 3rd May 2004 to the said show cause notice. In the said reply Amgis submitted interalia as under;

- a) that there has been no violation of provisions of law as brought out in the enquiry report.
- b) the transaction carried out on behalf of clients did not create misleading appearance since those trades had actually taken place and obligations arising out of those transactions were duly met.
- c) Transactions undertaken by the clients were genuine since they were done on the exchange
- d) It is evident that beneficial ownership was transferred to its clients and nothing to the contrary has been established. Even if it is assumed that there has been purchase and sale by one party it cannot be automatically be assumed that such transaction is motivated by an intention not to transfer beneficial ownership of shares.
- e) High standards of integrity were maintained with utter transparency, due skill and care. Not acted in any way that would induce investor's interest in the buy / sell in the scrip of Roofit and have only acted on the directives of clients.
- f) It is impossible to execute trades without matching trades. The screen matching is such that the member on one side is never aware of the member on the other side and thus there can never be an intentional match of trades. Even if orders are matched, it is clients who are answerable and not the member who is simply carrying out the instruction of clients. Mere purchase at higher rate is not by itself violation of Securities and Exchange Board of India rules and regulations.

- g) With regard to the statement of Shri. Deven Mehta, the statement does not provide anything which proves acting in concert with clients in order to manipulate market price of the scrip of Roofit. Introduction of clients by Shri. Mehta to others does not bind Amgis. Mere introduction does not mean the person introducing is also involved in the activities of clients he is introduced.
- h) All the allegations and recommendations made by the Enquiry Officer are erroneous and untrue, as none of the allegations proved that the acts done by Amgis in the purchase and sale of shares in the scrip of Roofit at the instruction of clients were in any way violating rules and regulations of the Securities and Exchange Board of India.
- i) The transactions referred to in the show cause notice, were legitimate market transactions and all the purchases on behalf the clients were executed through the exchange.

4.0 CONSIDERATION OF ISSUES

- 4.1 I have carefully examined the investigation report, enquiry report, show cause notice issued to Amgis and its reply. The issues for consideration before me are two fold and they are whether the noticee has violated the provisions of Regulation 4 (b), (c) and (d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and whether the noticee has violated sub-clauses (1) and (4) of Clause A of the Code of conduct prescribed for stock brokers as found in Schedule II read with Regulation 7 of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.
- 4.2 From Table 2 mentioned in para 1.6.2 above, I find that there are 76 deals executed between Amgis and M/s. Goldcrest Capital Market Ltd (hereinafter referred to as "Goldcrest"). In all the 76 deals, Amgis had

acted as a buying broker and Goldcrest had acted as a selling broker. I find that the orders have been placed at approximately the same time or with a difference of only a few seconds for the same price and for the same quantity. The time difference between placing of orders was about less than 30 seconds in all the trades. I find that Goldcrest has placed sell orders on behalf of its clients – M/s. Ami Impex, M/s. Mayfair, M/s. Onlooker, M/s. Habiscus, M/s. Alkan, M/s. Jyoti Mehta and M/s. M'Belle and Amgis has placed buy orders for its clients, M/s. Onlooker, M/s. Habiscus, M/s. Mayfair, M/s. Alkan and M/s. M'Belle. A reading of the table would reveal that M/s. Onlooker, M/s. Mayfair, Alkan, M/s. Habiscus and M/s. M'Belle were both sellers and buyers trading through Amgis and Goldcrest. I find that there are 10 trades for 297,000 shares where the client, M/s. M' Belle was buying shares through Amgis and at the same time selling the shares through Goldcrest. There were 7 trades for 2,23,017 shares where the client, M/s. Onlooker was buying through Amgis and at the same time selling shares through Goldcrest. I find that 15 trades amounting to 132,910 shares have been executed on behalf of the M/s. M'Belle on the buy side and M/s. Alkan on the sell side. Further, 3 structured deals amounting to 152,000 shares have been executed on behalf of M/s. Alkan on the buy side and M/s. M'Belle on the sell side. I find that there were 11 trades amounting to 275,566 shares executed on behalf of M/s. M'Belle on the buy side and M/s. Habiscus on the sell side. It is also observed that trades amounting to 88,000 shares were executed on behalf of M/s. M'Belle on the buy side and M/s. Onlooker on the sell side. Further, structured deals amounting to 75,250 shares have also been executed on behalf of M/s. Onlooker on the buy side and M/s. Habiscus on the sell side. Structured deals amounting to 1,15,000 shares have also been executed on behalf of M/s. Onlooker on the buy side and M/s. M'Belle on the sell side. In fact, there were 62 deals, which were matched within 10 seconds

4.3 Clients Onlooker, Habiscus and M/s. Alkan are found to be related to each other. I find that Mr. Suresh Hemwani is the director for all the three clients. Further Habiscus and Onlooker have a common director too, i.e., Ms. Meenal Chabria. I also find that these clients traded through both these members acting both as a buyer and as a seller for the same trade / transaction. I find that M'Belle was buying shares through Amgis and selling through Goldcrest for 10 trades amounting to 2, 97, 000 shares. This shows that the client was buyer as well as seller for the same trade which obviously is a fictitious trade. I find that M'Belle is related to Roofit since Ms. Rita Motwani, Ms. Sangeeta Motwani and Ms. Anupama Motwani are Subscribers to Memorandum of Association of M'Belle. Ms. Rita Motwani is the wife of Mr. Kishore Motwani who is one of the directors of Roofit. Ms. Sangeeta Motwani is the wife of Mr. Vinod Motwani who is also one of the directors of Roofit. Ms. Anupama Motwani is the wife of Mr. Suresh Motwani who is also one of the directors of Roofit. Likewise I also find that Onlooker had bought shares through Amgis and sold through Goldcrest in 7 trades. Onlooker is directly / indirectly related to promoter / director of Roofit. M/s. New Bharat Builders has introduced Onlooker to Goldcrest. Ms. Sangeeta Motwani and Mr. Kishore Motwani are Subscribers to the Memorandum of Association of M/s. New Bharat Builders. Ms. Sangeeta Motwani is wife of Mr. Vinod Motwani. Mr. Kishore Motwani and Mr. Vinod Motwani are directors of Roofit. Thus, M/s. Onlooker is indirectly related to promoter / director of Roofit. I find that Alkan was acting in concert with M/s. Sunearth Ceramics, a group company of Roofit, having same address as that of Roofit. Thus, Alkan is indirectly related to the promoter/ director of Roofit like Onlooker and Habiscus. I find that for 15 trades amounting to 1, 32, 910 shares were bought for M/s. M'Belle International Pvt. Ltd. which was sold by Alkan. Further, for 3 structured deals amounting to 1, 52, 000 shares were executed for which Alkan was on the buying side and M'Belle was on the selling side. I further find that M'Belle was involved in 11 trades amounting

to 2, 75, 566 shares as buyer for which seller was Habiscus. I also find that M'Belle as buyer had also executed 5 trades amounting to 88, 000 shares selling these shares to Onlooker. I find that in turn Onlooker had bought shares from Habiscus in 5 structured deals. I also find that Onlooker brought further 1, 15, 000 shares from M'Belle in 4 structured deals.

4.4 I further find that Amgis had entered into 18 structural deals amounting to 3, 53, 175 shares with Mr. Prashant J Patel, Member, NSE. 7 trades were executed by Amgis for its client M'Belle and by Amigs Prashant for its client M/s. Ami Impex. I find from in Sett No. 02, Amgis bought 53, 288 shares for M/s. Mayfair Realtor and 51, 076 shares for Habiscus. However, Amgis credited only 34, 788 shares into M/s. Mayfair Realtor's account and credited 47, 576 shares into M/s. Habiscus's account. Rest of 22, 000 shares (1, 04, 364 – 82, 364 = 22000) remained in the account of Amgis. I further find that Amgis had purchased 2, 32, 520 shares for M'Belle in Sett. No.2001009. Amgis transferred only 1, 92, 470 shares into M'Belle's account and 40, 000 shares to beneficiary account of Goldcrest. Also Amgis purchased 2, 02, 100 shares for M'Belle in Sett. No. 2001011 and transferred 46, 000 shares into another trading member, M/s. Express Securities' account. Therefore, Amgis was making adjustments of shares from its client's accounts.

4.5 I find that Mr. Suresh Hemwani is a common Director in Habiscus, Onlooker and Alkan. While Onlooker and Habiscus have a common director, Ms. Meenal Chhabaria. I further find that Ms. Rita Motwani, Ms. Sangeeta Motwani and Ms. Anupama Motwani are Subscribers to Memorandum of Association of M'Belle. Ms. Rita Motwani is none other than the wife Mr. Kishore Motwani who is one of the directors of Roofit. Likewise, Ms. Sangeeta Motwani is the wife of Mr. Vinod Motwani who is also a director of Roofit. Further, Ms. Anupama Motwani is the wife of yet

another director of Roofit, Mr. Suresh Motwani. This clearly establishes that M'Belle is related to Roofit. I further find that in case of Alkan, it has same address as that of Roofit.

- 4.6 I find from the above that Amgis has dealt on behalf of clients who are related among themselves and with the promoters / directors of Roofit in this regard. The contention put forth by Amgis that they were not in anyway related to the clients has not been raised anywhere in the Enquiry report and thereby needs no consideration.
- 4.7 The contention of Amgis that they were not aware of the activities of the clients in regard to their dealing in the scrip of Roofit and that they had merely acted in accordance with the instructions given by the clients in this regard, through the stock exchange mechanism can be taken into account in case the same has been one or few transactions involving small proportion of the total volumes of the shares dealt in Roofit. In the present context, the dealings of Amgis with the clients have been substantial. Taking into account the magnitude of such transactions any ordinary man of prudence would have been laced with a layer of doubt and that Amgis has carried out these transactions and has adjusted the delivery of shares to the clients without any resentment is ample proof of the fact that it has failed to perform its duty with care and skill.
- 4.8 The above mentioned acts of Amgis like carrying out of the structured deals for clients related among themselves and with the promoters / directors of Roofit, adjusting deliveries to be made to these clients, introduction of these clients to the other brokers, in consonance with the knowledge of Shri Deven Mehta that these clients were dealing in the scrip of Roofit through other brokers, lead me to the conclusion that Amgis has aided abetted and acted in concert with related clients in the scrip of Roofit through:

- a) Creation of false and misleading appearance of trading in the market
- b) Execution of transactions that are not genuine trade transactions.

4.9 I find that M/s. Amgis Holdings Pvt. Ltd., has aided and abetted as well as acted in concert with related clients in creating artificial market or misleading appearance of trading in the market, execute transactions that were not genuine trade transactions and executed transactions intended to inflate or cause fluctuation in the market price of the scrip of M/s. Roofit Industries Ltd and has not taken due care and diligence in observance and compliance of the statutory requirement in conduct of its business as a stock broker. Therefore, I am of the view that Amgis has violated the provisions of regulation 4 (b) and (c) of FUTP Regulations and clause A (1) and (4) of Code of Conduct as laid down under Schedule II read with regulation 7 of Broker Regulations. Thus, Amgis is liable for action under regulation 13 (1) (b) of Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002. Thus I conclude by holding Amgis guilty of having violated Regulation 4 (b) and (c) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and Clause A(1) and (4) of the code of conduct prescribed for stock brokers mentioned in Schedule II read with Regulation 7 of the SEBI (Stock brokers and Sub-brokers Regulations), 1992.

5.0 ORDER

5.1 I, therefore in exercise of the powers conferred upon me by virtue of Section 19 of the Securities and Exchange Board of India Act, 1992 and regulation 13 (4) of SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, I hereby direct that the certificate of Registration of M/s. Amgis Holdings Pvt. Ltd., INB.

230676837, Member, National Stock Exchange be suspended for a period of two (2) months.

- 5.2 This order shall come into force with effect from three weeks from the date of the order.

DATE:31.07.2007

PLACE: MUMBAI

T. C. NAIR

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA